

KELLEY DRYE & WARREN LLP

A LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL ASSOCIATIONS

1200 19TH STREET, N.W.

SUITE 500

WASHINGTON, D. C. 20036

(202) 955-9600

ORIGINAL

EX PARTE OR LATE FILED

FACSIMILE

(202) 955-9792

EX PARTE OR LATE FILED

WRITER'S DIRECT LINE

(202) 955-9864

WRITER'S E-MAIL

jcanis@kelleydrye.com

NEW YORK, N.Y.
LOS ANGELES, CA.
MIAMI, FL.
CHICAGO, IL.
STAMFORD, CT.
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July 13, 1998

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**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**

Magalie R. Salas, Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Re: Notification of Ex Parte Presentation

Petition of the Association for Local Telecommunications Services
for a Declaratory Ruling Establishing Conditions Necessary to Promote
Deployment of Advanced Telecommunications Capability Under 706
of the Telecommunications Act of 1996
CC Docket No. 98-78

Petition of Bell Atlantic Corporation for Relief from Barriers to
Deployment of Advanced Telecommunications Services
CC Docket No. 98-11

Petition of Ameritech Corporation for Relief from Barriers to
Deployment of Advanced Telecommunications Services
CC Docket No. 98-32

Petition of U S West Corporation for Relief from Barriers to
Deployment of Advanced Telecommunications Services
CC Docket No. 98-26

Petition of the Alliance for Public Technology Requesting Issuance
of Notice of Inquiry and Notice of Proposed Rulemaking to Implement
Section 706 of the 1996 Telecommunications Act
RM No. 9244

Dear Ms. Salas:

Pursuant to Section 1.1206(b)(1) and (2) of the Commission's Rules, Intermedia
Communications Inc. ("Intermedia") provides notice of an oral *ex parte* presentation in the

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Magalie R. Salas, Secretary
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above-captioned docketed proceedings on July 13, 1998. The presentation was made by David Ruberg, President of Intermedia, and Julia Strow and Don Davis, both Assistant Vice Presidents of Industry Policy for Intermedia. These Intermedia representatives were accompanied by Heather Gold, President of the Association for Local Telecommunications Services, and by the undersigned. The presentation was made to Kathryn Brown, Chief, Common Carrier Bureau and her Legal Counsel, Blaise A. Scinto. Intermedia discussed a variety of issues raised in the petitions filed in the above-captioned proceedings.

A copy of a handout used in the presentation is attached. Pursuant to Section 1.1206(b)(1) and (2) of the Commission's Rules, Intermedia hereby submits an original and two (2) copies of this *ex parte* notification for inclusion in the public record. Please direct any questions regarding this matter to the undersigned.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jonathan E. Canis", written in a cursive style.

Jonathan E. Canis

cc: Kathryn Brown, Chief, Common Carrier Bureau
Blaise Scinto, Legal Counsel for Bureau Chief
International Transcription Service

Section 706 -- Ex Parte

Advanced Broadband Infrastructure

Deployment Needs in
A Competitive Environment

Advanced Broadband Infrastructure

Advanced Broadband Technology is more than xDSL

- xDSL relies on relatively “old” loop technology

Next generation loop architecture will require access to incumbents’ electronics.

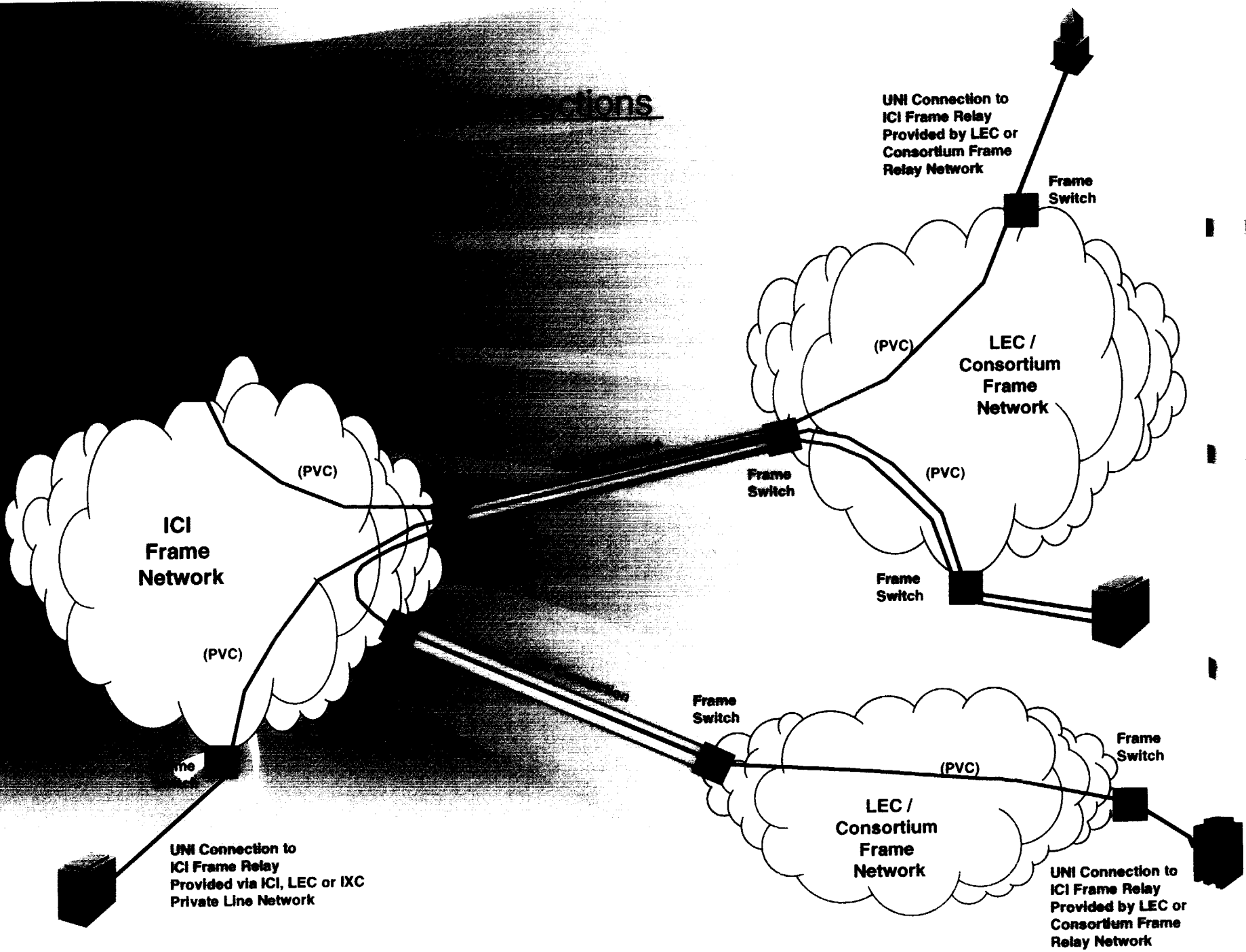
- Section 272 subsidiaries will not provide adequate competitive protections for data services

Broadband is more than xDSL

Competitive industry has led in deployment of ATM and frame relay services and packet/cell facilities.

- These packet/cell based services require the same carrier to carrier interconnections as those required for switched services

Connections



xDSL relies on relatively "old"
loop technology

Provisioned over basic copper pair.

Competitors must have access to a specific
copper pair from subscriber back through
end office.

- Economics of competitive entry highly
dependent upon price of collocation and
unbundled loops.

Diagram 1

Traditional Loop Distribution Systems: Copper Between Customer Premises and Central Office

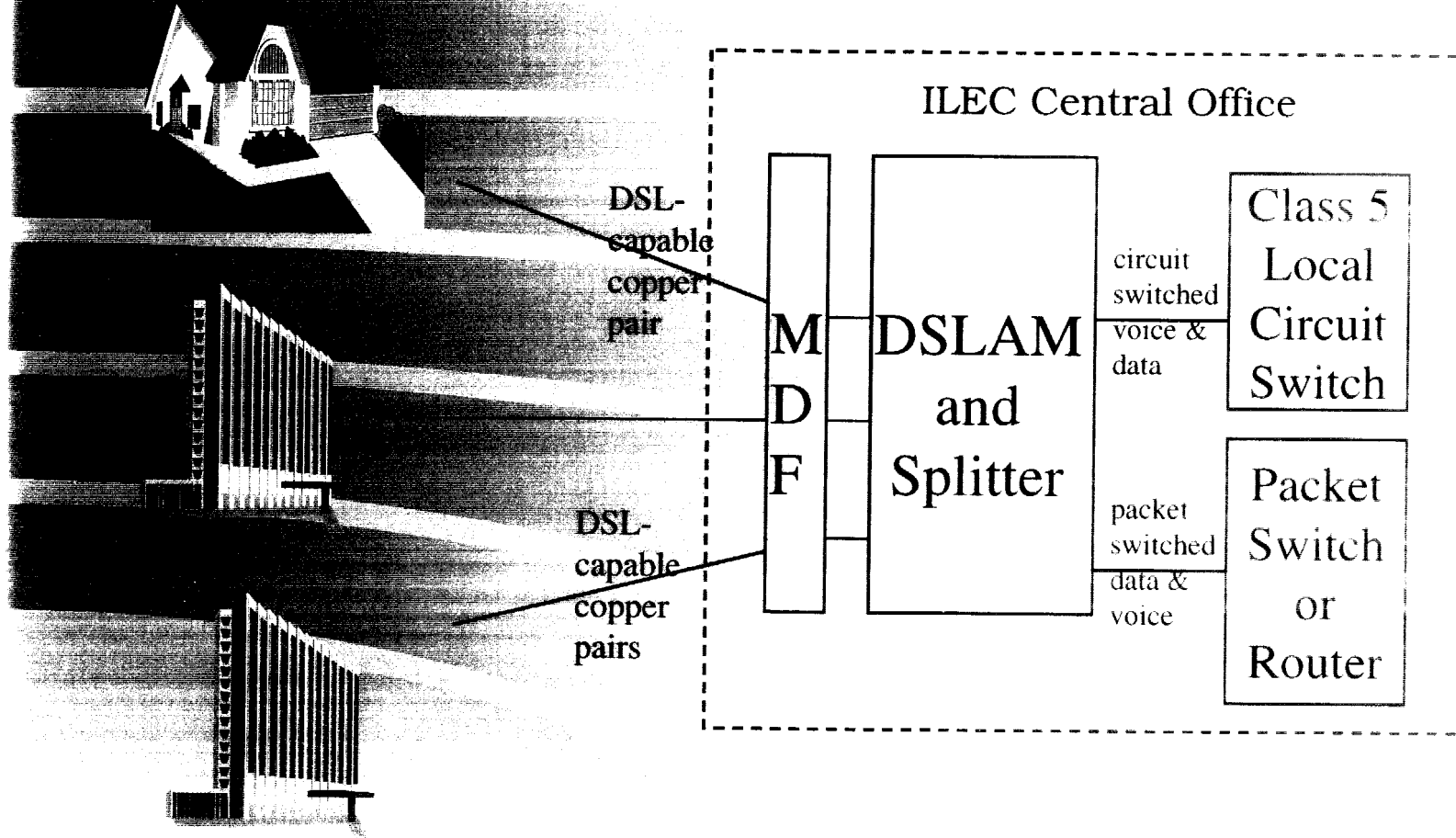
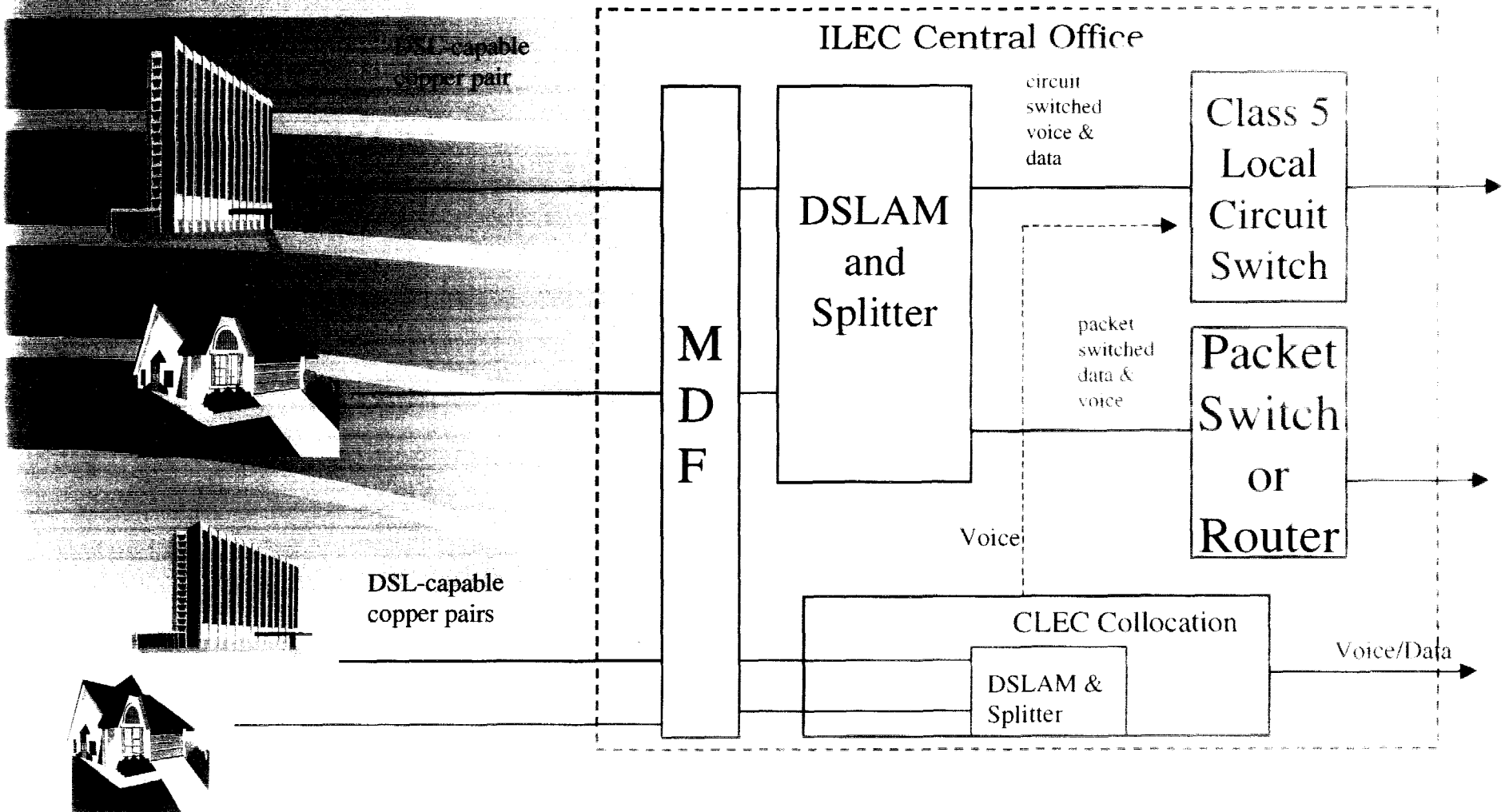


Diagram 2

Loop Distribution Systems with CLEC Collocation:
Copper Between Customer Premises and Central Office



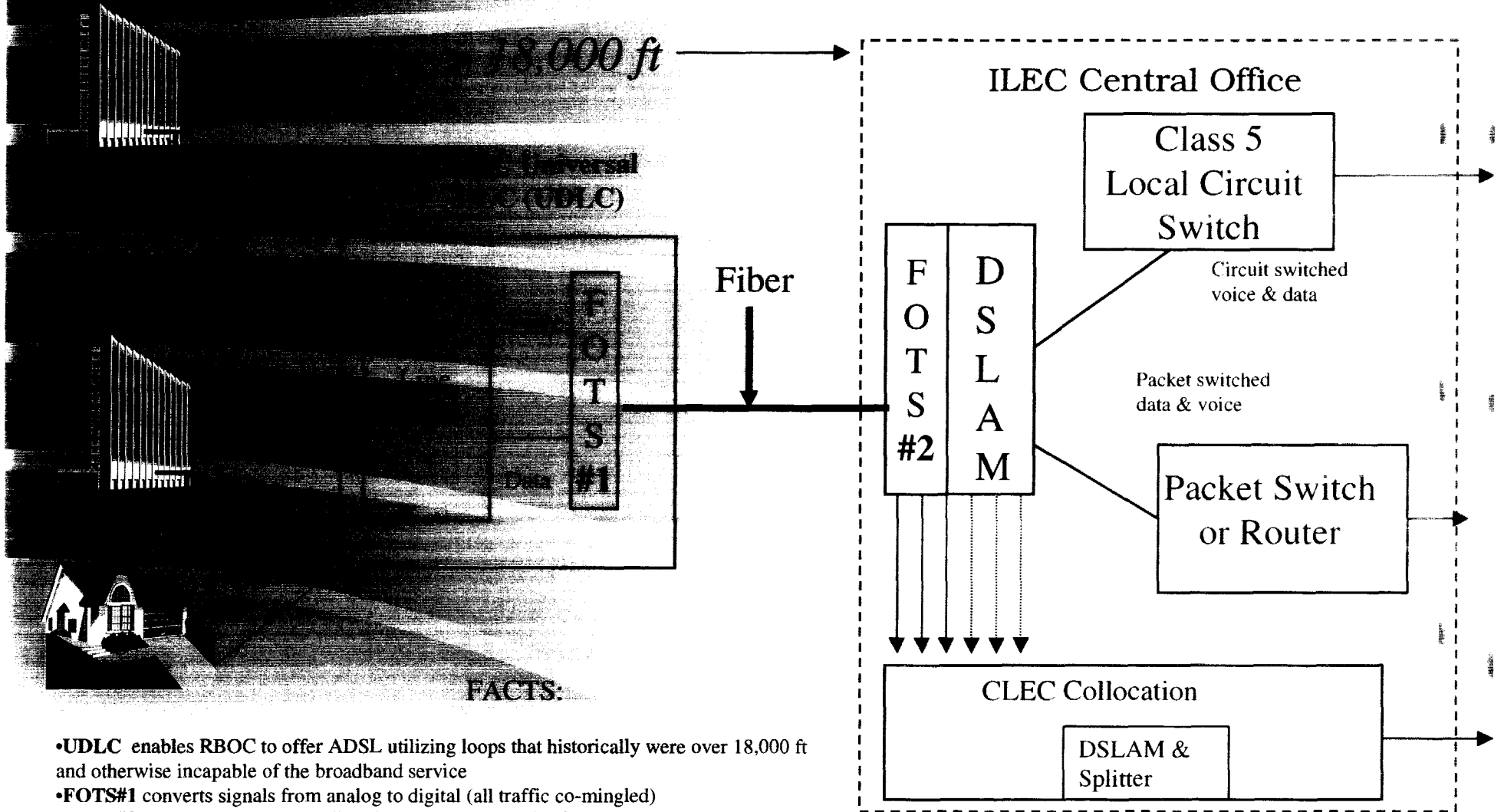
Next Generation of Loop Technology Will Require Competitor Access to Loop Electronics

Current loop architecture is being replaced by combinations of fiber, copper and in some circumstances combinations require electronics situated at the remote terminals where the mixed media are joined. Loop electronics will remove the need for certain capabilities in the CO.

- Competitors will be thwarted in efforts to reach end users served under these loop technologies unless they also have access to the electronics.

Diagram 3

Between Customer Premises and Universal Digital Loop Carrier

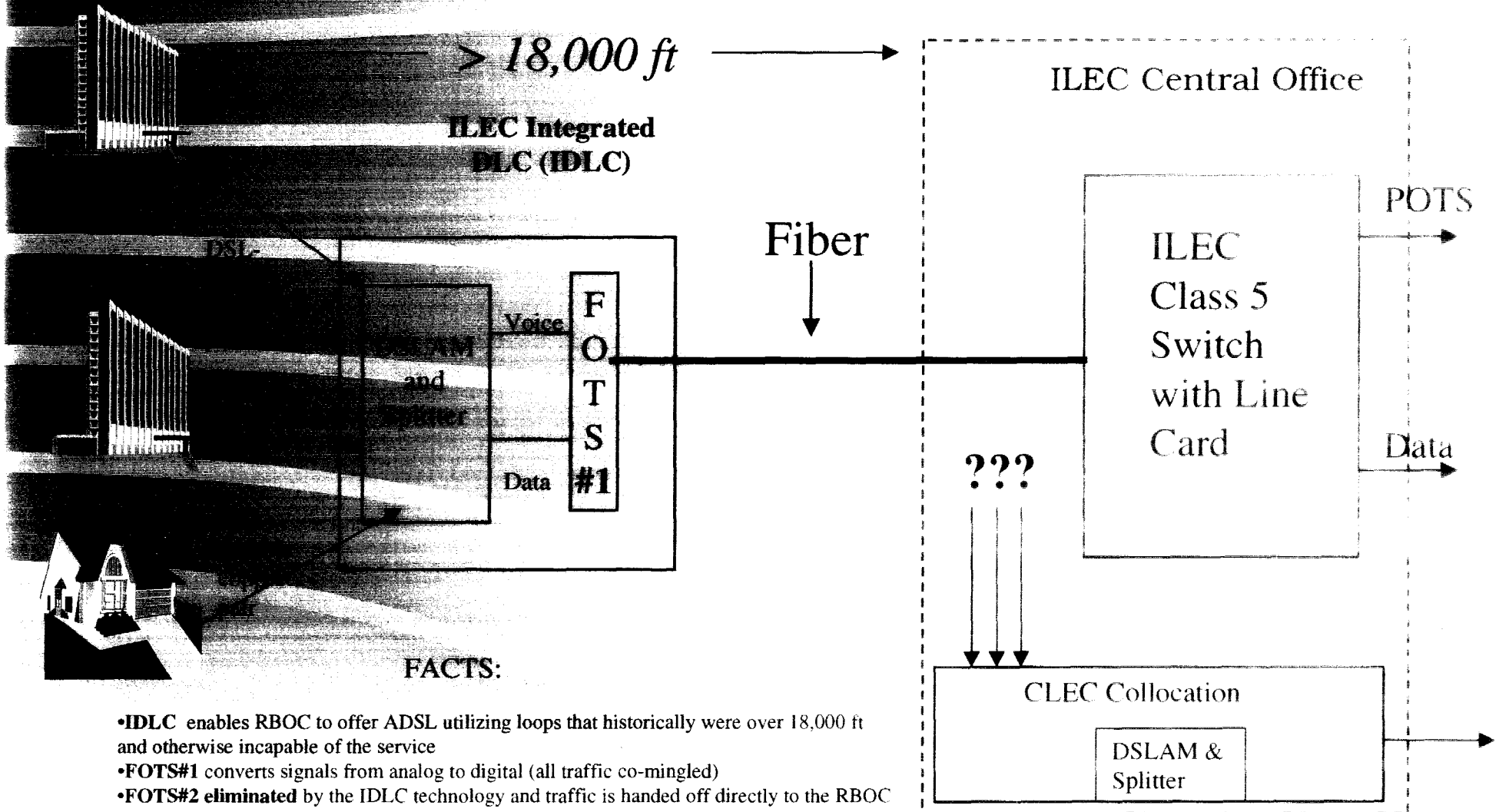


FACTS:

- UDLC enables RBOC to offer ADSL utilizing loops that historically were over 18,000 ft and otherwise incapable of the broadband service
- FOTS#1 converts signals from analog to digital (all traffic co-mingled)
- FOTS#2 converts signals from digital back to analog (24 VG individual customer circuits)
- In many instances, the RBOC refuses access to UDLC loops and alternatively offers cooper from customer to CO BUT the length is over 18,000 ft and therefore technically incapable of the service

Diagram 4

Copper Between Customer Premises and Integrated Digital Loop Carrier
Next Generation of Electronics



FACTS:

- IDLC enables RBOC to offer ADSL utilizing loops that historically were over 18,000 ft and otherwise incapable of the service
- FOTS#1 converts signals from analog to digital (all traffic co-mingled)
- FOTS#2 eliminated by the IDLC technology and traffic is handed off directly to the RBOC switches as digital (DS1 level)
- Prevents CLEC from accessing individual VG circuits of individual customers - CLEC would be required at a minimum to take full DS1 channel
- In many instances, the RBOC refuses access to IDLC loops and alternatively offers copper from customer to CO BUT the length is over 18,000 ft and therefore technically incapable of

Existing FCC Separate Subsidiary Requirements Are Not Adequate

Existing FCC subsidiary requirements predicated on presence of competition already established...i.e. Section 251/252 follows meeting the checklist.

Experience with existing data subsidiaries has demonstrated that safeguards are not yet enforceable.

Incumbents cannot be allowed to use their existing network advantages to provide data services or exempt data elements from Section 251/252 requirements of Act.

- Incumbents themselves have stated that separate subsidiaries are not efficient.

Advanced Broadband Infrastructure Deployment In A Competitive Environment

- For all data network elements, FCC and States must enforce Sections 251/252 of the Act
- Collocation must be made economically and technically feasible.
- Unbundled loops must be defined to include necessary elements as network architecture evolves to IDLC system.
- Data services offered by incumbent must be subject to all the same provisioning, element availability and collocation requirements as those imposed on competitors